

COMMUNITIES IN CRISIS

More than half of Illinois cities get “F” grades for local pensions

Berwyn

2019 Grade: F

In 2003, Berwyn’s police, fire and municipal pension funds already faced a shortfall of **\$56.0 million**. That meant every Berwyn household, on average, was on the hook for **\$2,842** in future taxes just to eliminate that shortfall.

Berwyn began contributing more money – taxpayer dollars – to pensions in an attempt to make the plans healthier. Over the next 16 years, city contributions increasingly crowded out spending for public safety, roads and other core services.

	2003	2019	Change
City (taxpayer) contributions to pensions	\$4.53 million	\$33.58 million	Up 7.4X
Share of city general budget for pensions	13.8%	84.5%	Up 6.1X

Despite the ramp-up in city payments over those 16 years, Berwyn’s pension debts didn’t decrease. Instead, they jumped by 1.4 times!

By 2019, the shortfall in Berwyn’s police, fire and municipal pension funds totaled **\$80.4 million**. That means each Berwyn household, on average, is now on the hook for **\$4,502** in debt.

Everyone loses under Berwyn’s pension crisis:



Taxpayers are tapped out

Berwyn residents are paying more and more into a broken system. City taxpayers in 2019 contributed 7.4 times more to pensions than in 2003, yet city debts are 1.4 times larger.



Pension costs are devouring the city’s budget

Berwyn pension contributions have grown to consume 84.5% of the city’s budget, up from 13.8% in 2003. That’s crowded out spending on public safety, roads and other core services.



Berwyn worker retirement security is still at risk

The health of Berwyn’s local pension plans have improved due to increased taxpayer contributions. In 2003, the plans had 46.9% of the money they needed. By 2019, that had improved to just 70.2%. Berwyn’s plans are still far from secure.



Berwyn’s crisis will only get worse

Berwyn has fewer active government workers available to help pay for a growing number of retirees. In 2003, there were 1.36 active workers for every pensioner. By 2019, there were 1.21 active workers per pensioner.

2019 GRADE



2003 GRADE



Berwyn receives an "F" grade for its local pension crisis

Local officials handcuffed by state pension mandates.

Wirepoints quantified the negative impact of local pensions by examining the finances of Illinois' 175 largest cities from 2003 to 2019. The analysis was based on ten equally-weighted metrics. Cities were given an A through F grade based on a 100-point scale (10 points per metric).*

Berwyn received an "F" grade in 2019. The city's total score dropped from 58 in 2003 to 55 in 2019, a decline of 3 points.

Berwyn was one of 102 cities to receive an "F" grade in 2019.

Berwyn Key Facts		
City demographics	2000	2019
Population	54,016	55,407
Households	19,707	17,869
Median household income	\$43,833	\$62,758
City budget	2003	2019
General revenues	\$32,751,632	\$39,742,608
Total revenues	\$64,448,848	\$153,796,253
Total property taxes	\$18,033,487	\$34,742,608
Pension health (police, fire & IMRF)	2003	2019
Total accrued liabilities (benefits owed)	\$105,487,911	\$269,589,677
Total pension assets	\$49,471,286	\$189,149,028
Funded ratio	46.9%	70.2%
Total pension shortfall	\$56,016,625	\$80,440,649
Per household	\$2,842	\$4,502
Active public safety workers	155	193
Public safety pension beneficiaries	114	160
City pension contributions	2003	2019
City contributions	\$4,530,109	\$33,584,252
Per household	\$230	\$1,879
Percentage of city's general budget	13.8%	84.5%
Employees' contributions	\$1,159,498	\$2,227,600

175 Cities - Summary Scores			
Grade	Score	Number of cities	
		2003	2019
A	≥90	4	0
B	80-89	35	1
C	70-79	81	8
D	60-69	48	64
F	≤59	7	102

Berwyn Score				
Metric	2003	2019	2003	2019
1. Police pension funded ratio	45.3%	72.7%	4	7
2. Firefighter pension funded ratio	33.4%	62.0%	3	6
3. Municipal (IMRF) pension funded ratio	97.5%	88.6%	9	8
4. City pension debts per household as a percentage of median household income	6.5%	7.2%	7	7
5. City contributions per household as a percentage of median household income	0.52%	2.99%	7	1
6. City contributions as a percentage of total budget	7.0%	21.8%	4	1
7. Ratio of city contributions to employee contributions	3.91	15.08	5	1
8. Percentage surplus/shortfall in actuarially-required city contribution (Police & Fire only)	-13.3%	275.7%	7	10
9. Asset-to-payout ratio (Police & Fire only)	11.3	15.3	6	8
10. Worker-to-beneficiary ratio (Police & Fire only)	1.36	1.21	6	6
Total score			58	55
Grade			F	F

*Wirepoints analyzed 175 of Illinois' largest cities, excluding Chicago, that have a local police, firefighter and municipal (IMRF) pension fund.

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